

HOUSE BILL 2419

By Lynn

AN ACT to amend Tennessee Code Annotated, Title 4,
Chapter 3; Title 6 and Title 9, Chapter 21, relative
to fiscal affairs of local governments.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 9-21-403(a), is amended by deleting the subsection and substituting instead the following:

(a)

(1) In order for the fiscal affairs of a local government to be maintained on a cash basis, after the issuance of any debt as provided by this chapter, and in order that the current receipts of such local government shall be sufficient to meet current expenditures, an annual budget shall be required of the local government by the comptroller of the treasury or the comptroller's designee.

(2) Subdivision (a)(1) shall not apply if the comptroller of the treasury or the comptroller's designee determines the local government to have sufficient financial resources to more than adequately service its issued debt. In such case, the comptroller of the treasury or the comptroller's designee may approve the local government for a biennial budget as authorized by § 4-3-305.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.